

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:3640

ANSWERED ON:26.04.2012

UREA AT PORTS

Kishor Shri Kamal ;Nagorao Shri Dudhgaonkar Ganeshrao

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether a huge quantity of urea is lying at various ports of the country;
- (b) if so, the quantum of urea lying there alongwith the quantity of urea likely to be added;
- (c) the reasons therefor;
- (d) whether the untimely supply of urea is likely to affect the agriculture sector;
- (e) if so, whether the Government is taking any concrete steps to provide urea to the farmers; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (c): No, Madam. The quantity of urea lying at various ports was 1.95 lakh MT as on 1st April, 2012. The likely quantity to be arrived during the month of April, 2012 is approximately 2.00 lakh MT from Oman under long term off-take urea agreement between India and Government of Oman.

(d) to (f): There is no major shortage of urea. The State-wise demand (requirement) and availability (supply) of Urea during 2011-12 is at Annex-'A'. As can be seen, the availability of urea is adequate.

Further, the concrete steps taken by Government to provide all fertilizers including urea to the farmers in the country are as under:

- i) The gap between requirement and indigenous availability is met through imports;
- ii) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system (www.urvarak.co.in) also called as Fertiliser Monitoring System (FMS);
- iii) The state governments have been advised to instruct the State Institutional agencies to coordinate with manufacturers and importers of fertilizers for streamlining the supplies;
- iv) State Governments play a proactive role to co-ordinate with the manufacturers/importers to tie up supplies of fertilizers as per the requirement of states;
- v) Department of Fertilizers and Department of Agriculture & Cooperation are jointly reviewing fertilizer availability with Agriculture department of various States through Video Conferences every week. The corrective actions, if required, are taken immediately to avoid any hardships to the farmers;
- vi) Fertilizer companies are required to print Maximum Retail Price (MRP) on the fertilizer bags clearly. Any sale above the printed net retail price will be punishable under the EC Act. Amount of subsidy per bag is also printed on each bag of Phosphatic and Potassic fertilizers;
- vii) Department of Fertilisers is having constant interaction with Ministry of Petroleum & Natural Gas, GAIL and other prospective suppliers of Natural Gas / Liquid Natural Gas (NG/LNG) so that gas requirement of the fertilizers industry is met; and
- viii) Government is always encouraging production of urea in the country to achieve self-sufficiency. The Government is considering a new policy for encouraging investments in Urea production plants. The country is almost fully dependent on imports to meet the requirements of phosphatic and potassic (P&K) fertilizers. Government has taken initiatives to encourage indigenous production in P&K sector by allowing import parity price to the indigenous manufacturers of DAP. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to acquire this important input at reasonable price. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures

abroad to ensure uninterrupted supply of fertilizers inputs to P&K sector.